

change of address to the other party, which shall be effective upon receipt. Notice shall be deemed effective on the date of receipt.

IV. COMPLIANCE WITH LAWS

METRO and COUNTY shall observe and comply with all applicable Federal, State, and County laws, regulations and ordinances.

V. STATUS OF METRO

1. It is understood and agreed that METRO (including METRO employees) is an independent special district and that no relationship of employer-employee exists between the parties hereto. METRO assigned personnel shall not be entitled to any benefits payable to employees of COUNTY. COUNTY is not required to make any deductions or withholdings from the compensation payable to METRO under the provisions of this Agreement; and as an independent special district, METRO hereby indemnifies and holds COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by any employee of METRO that an employer-employee relationship exists by reason of this Agreement.
2. It is further understood and agreed by the parties hereto that METRO in the performance of its obligation hereunder is subject to the control or direction of COUNTY as to the designation of tasks to be performed, the results to be accomplished by the services hereunder agreed to be rendered and performed, and not the means, methods, or sequence used by METRO for accomplishing the results.
3. If, in the performance of this Agreement, any third persons are employed by METRO, such person shall be entirely and exclusively under the direction, supervision, and control of METRO. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by METRO, and the COUNTY shall have no right or authority over such persons or the terms of such employment.
4. It is further understood and agreed that as an independent special district, and not an employee of COUNTY, METRO assigned personnel shall not have any entitlement as a COUNTY employee, right to act on behalf of COUNTY in any capacity whatsoever as agent, nor to bind COUNTY to any obligation whatsoever. METRO employees shall not be covered by COUNTY's worker's compensation; nor shall METRO employees be entitled to compensated sick leave,

vacation leave, retirement entitlement, participation in group health, dental, life and other insurance programs, or entitled to other fringe benefits payable by the COUNTY to employees of the COUNTY.

5. It is further understood and agreed that METRO must issue W-2 and 941 Forms for income and employment tax purposes, for all of METRO assigned personnel under the terms and conditions of this Agreement.

VI. COMPLIANCE WITH CHILD, FAMILY AND SPOUSAL SUPPORT REPORTING OBLIGATIONS

1. METRO shall comply with all applicable state, federal and local laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the California State Family Code and Chapter 2.160 of the Sacramento County Code. METRO shall comply with all earnings assignment orders with respect to its employees and shall provide the names of all new employees to the New Hire Registry maintained by the California Employment Development Department;
2. Failure to comply with state and federal reporting requirements regarding METRO employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment shall constitute a default under this Agreement. Failure to cure such default within 90 days of notice by the COUNTY shall be grounds for termination of the contract.

VII. BENEFITS WAIVER

1. METRO acknowledges and agrees that METRO employees are not entitled to receive the following benefits and/or compensation from COUNTY: medical, dental, vision and retirement benefits, life and disability insurance, sick leave, bereavement leave, jury duty leave, parental leave, or any other similar benefits or compensation otherwise provided to permanent civil service employees pursuant to the County Charter, the County Code, the Civil Service Rule, the Sacramento County Employees' Retirement System and/or any and all memoranda of understanding between COUNTY and its employee organizations. Should METRO or any employee of METRO seek to obtain such benefits from COUNTY, METRO agrees to indemnify and hold harmless COUNTY from any and all claims that may be made against COUNTY for such benefits.
2. METRO agrees to include in all subcontracts subject to this Agreement that subcontractors are not employees of COUNTY and are not entitled

to any benefits from COUNTY: medical, dental, vision and retirement benefits, life and disability insurance, sick leave, bereavement leave, jury duty leave, parental leave, or any other similar benefits or compensation otherwise provided to permanent civil service employees pursuant to the County Charter, the County Code, the Civil Service Rule, the Sacramento County Employees' Retirement System and/or any and all memoranda of understanding between COUNTY and its employee organizations.

VIII. CONFLICT OF INTEREST

METRO and METRO officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property, or source of income which could be financially affected by or otherwise conflict in any manner or degree with the performance of services required under this Agreement.

IX. NONDISCRIMINATION IN EMPLOYMENT, SERVICES, BENEFITS AND FACILITIES

1. METRO agrees and assures COUNTY that METRO shall comply with all applicable federal, state, and local anti-discrimination laws, regulations, and ordinances and that it will not unlawfully discriminate, harass, or allow harassment against any employee, applicant for employment, employee or agent of COUNTY, or recipient of services contemplated to be provided or provided under this Agreement, because of race, ancestry, marital status, color, religious creed, political belief, national origin, ethnic group identification, sex, sexual orientation, age (over 40), medical condition (including HIV and AIDS), or physical or mental disability. METRO shall ensure that the evaluation and treatment of its employees and applicants for employment, the treatment of COUNTY employees and agents, and recipients of services are free from such discrimination and harassment.
2. METRO represents that it is in compliance with and agrees that it will continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.) and regulations and guidelines issued pursuant thereto.
3. METRO agrees to compile data, maintain records and submit reports as required by law to permit effective enforcement of all applicable antidiscrimination laws and this provision.
4. METRO shall include this nondiscrimination provision in all subcontracts related to this Agreement.

X. INDEMNIFICATION

1. METRO shall indemnify, defend and hold harmless COUNTY, its Board of Supervisors, officers, directors, agents, employees, and volunteers, from and against any and all liability, loss, expense (including payment of reasonable attorney's fees), or claims for injury or damages arising out of the performance of this Agreement, only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional act or omission of METRO, its officers, employees, or agents (including its volunteers and students).
2. COUNTY shall indemnify, defend, and hold harmless METRO and its officers, directors, agents, employees, and volunteers, from and against any and all liability, loss, expense (including payment of reasonable attorney's fees), or claims for injury or damages arising out of the performance of this Agreement, only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional act or omission of COUNTY, its Board of Supervisors, officers, employees, or agents (including its volunteers).

XI. INSURANCE

Without limiting METRO indemnification, METRO shall maintain in force at all times during the term of this Agreement and any extensions or modifications hereto, insurance as specified in Exhibit B. It is understood and agreed that COUNTY shall not pay any sum to METRO under this Agreement unless and until COUNTY is satisfied that all insurance required by this Agreement is in force at the time services hereunder are rendered.

XII. SUBCONTRACTS, ASSIGNMENT

1. Any subcontracting will be subject to all applicable provisions of this Agreement. Subcontracting services delivered under this Agreement shall not in any way relieve METRO of any duty or responsibility under this Agreement and METRO shall remain primarily obligated for the performance of all services.
2. This Agreement is not assignable by METRO in whole or in part, without the prior written consent of COUNTY.

XIII. AMENDMENT AND WAIVER

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon COUNTY unless agreed in writing by DIRECTOR and counsel for COUNTY.

XIV. INTERPRETATION

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

XV. DIRECTOR

As used in this Agreement, "DIRECTOR" shall mean the Director of the Environmental Management Department, or his/her designee.

XVI. DISPUTES

Any dispute arising under this Agreement shall be decided by DIRECTOR who shall put his decision in writing and mail a copy thereof to the address for notice to METRO. The decision of DIRECTOR shall be final unless within thirty (30) days from the date of mailing of such copy METRO appeals the decision in writing to the Sacramento County Board of Supervisors. In connection with any appeal proceeding under this paragraph, METRO shall be afforded the opportunity to be heard and offer evidence in support of its appeal. Pending a final decision of dispute hereunder METRO shall proceed diligently with the performance of the Agreement and in accordance with DIRECTOR's decision, unless the DIRECTOR's decision states otherwise. The decision of the Board of Supervisors on the appeal shall be the COUNTY's final decision.

XVII. TERMINATION

1. Either party may terminate this Agreement without cause upon thirty (30) days written notice to the other party.
2. COUNTY may terminate this Agreement for cause upon giving ten (10) days written notice to METRO should METRO materially fail to perform this Agreement in the time and/or manner specified. Before such